



The British Islands of Jersey, Guernsey and the Isle of Man – A Case Study in Development

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Introduction

Island Business Centres

Agenda

- Location & Infrastructure
 - Relationships with the United Kingdom and with the European Union
 - The Economy – Historical Development and Current Challenges – Diversification
 - Financial and International Services
 - Main drivers for the Islands' success
 - Summary and Conclusions
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Location and Infrastructure

- Geographical Position
 - Population and Land Mass
 - Air links. Many flights each day to multiple destinations in the British Isles and Europe
 - Easy accessibility to London
 - Sea routes for Passengers and freight using Fast Craft and Conventional Ferries
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Location and Infrastructure

- World Class Electronic Communications
- Major investments in recent years in first class education, health and welfare services
- Quality of life makes them attractive places to live and work in resulting in the creation of a critical mass of quality staff

Constitutional Relationship with the United Kingdom

- Her Majesty – Lord of Mann and Duke of Normandy
- Self-Governing Crown Dependencies – Not part of the United Kingdom
- Fiscally Autonomous but not sovereign territories. United Kingdom ultimately responsible for their “good government”
- Democratic Systems of Government – Tynwald – the Oldest Continuous Parliament in the World
- Legal systems, legal professions and legislative competence

The Relationship with the European Union

- Protocol Three of the United Kingdom Treaty of Accession
- Free Trade
- No Financial support or Contribution
- Value-added tax – a differentiator between the 3 islands

Taxation Strategies

- Zero Rate for Companies
- Exchange of Information
- Low Personal Rates with a Tax Cap

The Islands Economies

- AAA Country Ratings & no National Debt
- 27 years of continuous growth (IOM)
- Unemployment negligible
- National Income
 - Jersey £ 4.00 bn (2010) GNI
 - Guernsey £ 1.90 bn (2010) GDP
 - Isle of Man £ 3.25 bn (2010) GDP

Bank Deposits

2011

Source

Jersey

£158 bn

JFSC

Guernsey

£113 bn

GFSC

IOM

£ 47 bn

IOM Govt

Insurance & Managed Funds

- Funds Under Management **2011**
 - Jersey £ 197 bn
 - Guernsey £ 261 bn
- Insurance
 - IOM Life and Pensions £ 50 bn
- AIM Market
- Channel Islands Stock Exchange

Ship , Yacht & Aircraft Registers

	2011
■ Ships IOM	419
■ Yachts Jersey	28
IOM	103
■ Aircraft IOM Total registrations >475 but after deletions	350+

Companies

2011

- Companies

Jersey	33,116
Guernsey	17,500
IOM	29,095

Isle of Man Diversification into Internet Gaming & Manufacturing

	2008	2010
■ Internet Gaming	£131 m	£293 m
■ Manufacturing	£155 m	£152 m

Drivers For Past Success

- Enterprising Business Communities
 - First Class Brand Reputations
 - Attractive and competitive fiscal environment
 - Political and Economic stability. Cooperative and Responsible
 - Government Support and Encouragement
 - English language and Common Law
 - Cost effective -breadth of professional skills
 - Good external communications particularly to London
 - Time Zone
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Conclusion

International Market Opportunities

City Referral Destination of Choice

Value to the United Kingdom

Government support & encouragement